



# SIM Round Two: Overview

February 2015



## SIM Round One: Design

- Eight month design grant awarded February 2013
- Submitted design in December 2013
  - State Healthcare Innovation Plan (SHIP),
  - Five year visionary plan
- 19 required components, including:
  - Vision statement for system transformation
  - Well-defined “AS IS” and “TO BE” for transformed state
  - Barriers and opportunities
  - Population health status, social/economic impacts on health
  - Timeline



## SIM Round Two: Test

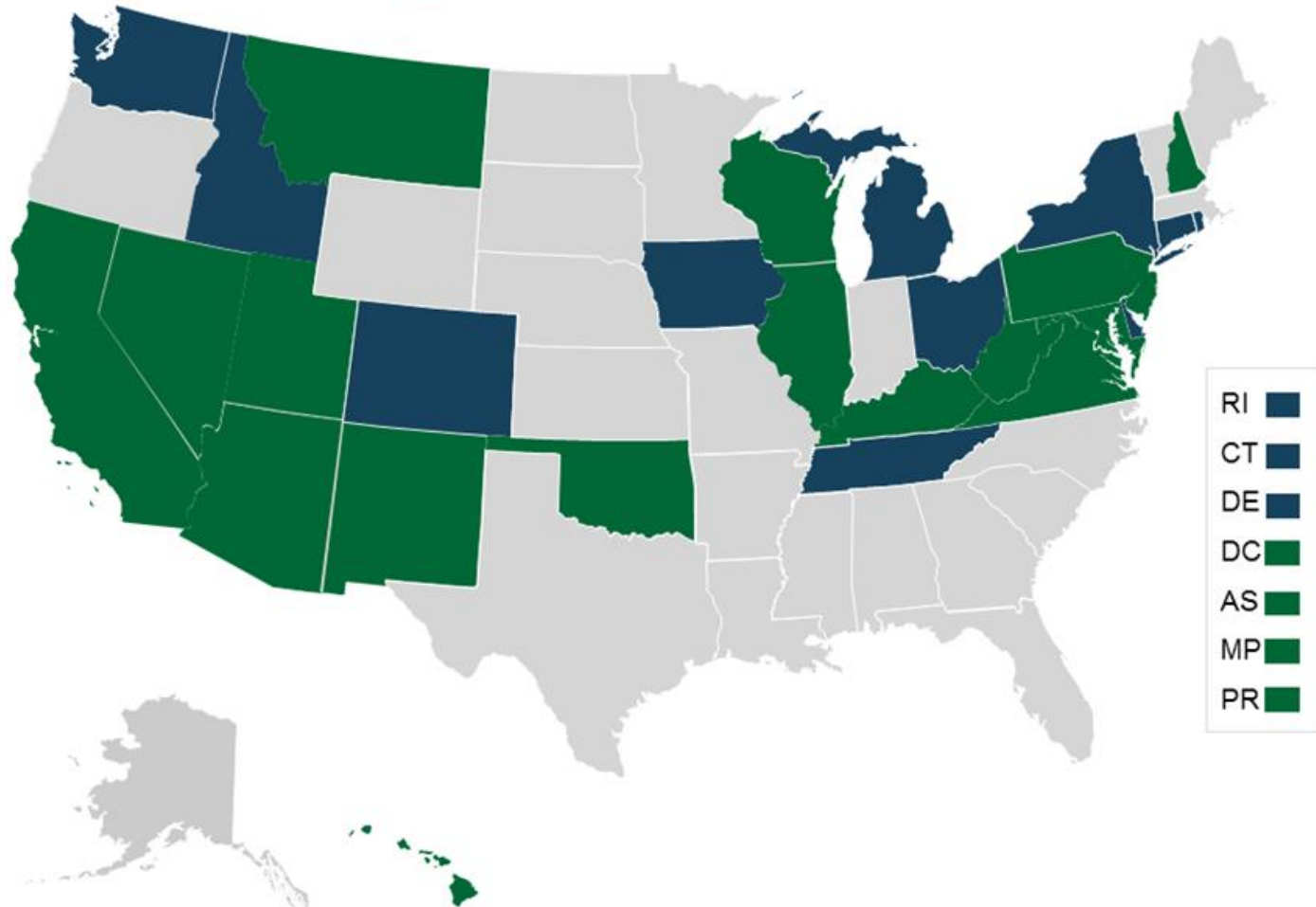
- On December 16, 2014 CMS announced
  - 11 Test states (\$620m) **includes Iowa!**
  - 21 Design states (\$43m)
  - Iowa received approval for \$43.1m over four years
  - Funds released one year at a time
    - One pre-implementation year & three test years
  - Each year the state requests a non-competing extension to draw down more funds



## Recently Announced SIM Awards

Model Test Awards

Model Design Awards





## What We Need to Do in 2015

- Sign contracts with vendors (to conduct work)
- Receive CMS authority to do shared savings
- Update ACO agreements, application process, rules
- Establish statewide ADT event notification system
- Establish a community learning events/ TA
- Work on plan to improve population health
- Report to CMS, rapid cycle evaluations, etc.



## Stakeholder Engagement

**Purpose:** Engage and inform stakeholders and maintain a continuous transparent system of communication and feedback

- Quarterly Public Forums
  - Report current & next steps, seek input & share results
- Small advisory workgroups
  - LTC, BH, Children w/ Special Health Care Needs
- Website:  
<http://dhs.iowa.gov/ime/about/state-innovation-models>



## Model Testing Proposal

Iowa must apply policy and regulatory levers to address three focus areas:

1. Transform health care delivery systems
2. Improve population health
3. Decrease per capita total health care spending



## Transform Health Care Delivery

### Expand ACO Model to Full Medicaid

Expand PCP  
Assignment

Shared Savings  
with Risk

Incrementally add  
LTC/BH Services

Care Coordination  
Payments for  
Chronics (aligned  
with HH)

### Align with Other Payers

Use VIS

Develop VIS  
Star Rating

Include Medicaid  
HMO/CHIP  
Plans

### Support ACO Delivery System

Develop Community  
Care Teams

Develop Admission  
Discharge Transfer  
(ADT) System  
(HIT/IHIN)

Technical  
Assistance  
Approach with IDPH





## Why Expand ACO in Medicaid?

- In 2012, Medicare and Wellmark changed how they purchase health care and started ACO contracts
- Today in Iowa:
  - 12% of Medicare in an ACO
  - 37% of Wellmark in an ACO
  - 35% of Iowa Wellness Plan in an ACO
  - Eight major health systems have ACO contracts covering an estimated 18% of the total Iowa population



## HHS Announces Goals in the Shift to Value-Based Payments

HHS Secretary Burwell announces move from Medicare traditional FFS payments to value using ACOs/ Medical Home programs

- 30% by end of 2016
- 50% by 2018
- 85% of payments tied to either quality or value by 2016

HHS has seen \$417million in savings due to existing ACO programs

*“We believe these goals can drive transformative changes, help manage and track progress and create accountability for improvements”*



## Iowa's 2014 ACO Program

### Healthy Behaviors Completed in 2014:

- 28,771 Health Risks Assessments
- 35,097 Wellness Exams
- 18,192 members completed both activities

### Point-In-Time Analysis: ACO vs. non ACO:

HB Activity	ACO Members	Non-ACO members
HRAs	30%	14%
Wellness Exams	31%	18%
Both Activities	20%	8%



## Align with Other Payers – What Does this Mean?

Iowa Medicaid aims at developing an ACO model that uses similar payment and quality methodologies:

<b>Value-Based Purchasing</b>	Medicare, Wellmark, Medicaid
<b>Value Index Score (VIS) Quality Measurement systems</b>	Wellmark and Medicaid (currently under way)
<b>Public Reporting Quality</b>	Establish a system to publically report quality measures
<b>Medicaid HMOs/CHIP Plans</b>	Work with other payers to align value based purchasing and quality.



## How do you support the system during change?

Focus on the community

- Establish learning events, share best practices

Use technology to improve care coordination

- Real-time Admission/Discharge/Transfers data

Integrate social supports/public health into care delivery

- Develop Community Care Teams



## Improve Population Health

### Improve Population Health/ Healthiest State Initiatives

Tobacco Use

Diabetes

Obesity/Childhood  
Obesity

Hospital Acquired  
Infections

Obstetrics  
Adverse Events

### Engage Patients/Improve Health Literacy

Build from Healthy  
Behavior Program

Use HRA to measure  
Patient activation

Utilize Public  
Partnerships for  
education & outreach

Measure Member  
Experience

Choosing Wisely  
Campaign

### Collect Social Determinants of Health

Impact Individual  
patient care

Implement  
Community SDH  
Transformation  
grants

Study potential  
risk adjustment on  
ACO payment  
model



## SIM Supports the Healthiest State Initiative

- Focuses on communities to drive changes that improve population health measures like:
  - Diabetes, obesity, smoking cessation, etc.
- Improves health confidence
  - Health literacy, measures member experience
- Equips providers and community partners with improvement strategies



## Addressing Social Determinants is Key to...

- Improving individual outcomes
- Improving community population health
- Improving value-based purchases models





## Decrease Per Capita Health Care Costs

### Evaluation and Monitoring

Conduct Rapid  
Cycle  
Evaluations

Track Total Cost  
of Care

Public Reporting  
of Results

### Achieve Scale within an ACO model

Align and partner  
with Public Payers  
(CHIP/M-HMO)

Align and partner  
with Private  
Payers

### Track VIS Improvement

Monitor VIS and TCOC  
relationship

Identify sub populations needs  
improvements



## Evaluation and Monitoring

- SIM Test award states must select an independent evaluator to work with the Federal Evaluator
  - Iowa is working with the Public Policy Center
  - CMS has not yet picked a Federal Evaluator
- Iowa plans to establish a rapid cycle evaluation method to share updates and emerging outcomes quarterly

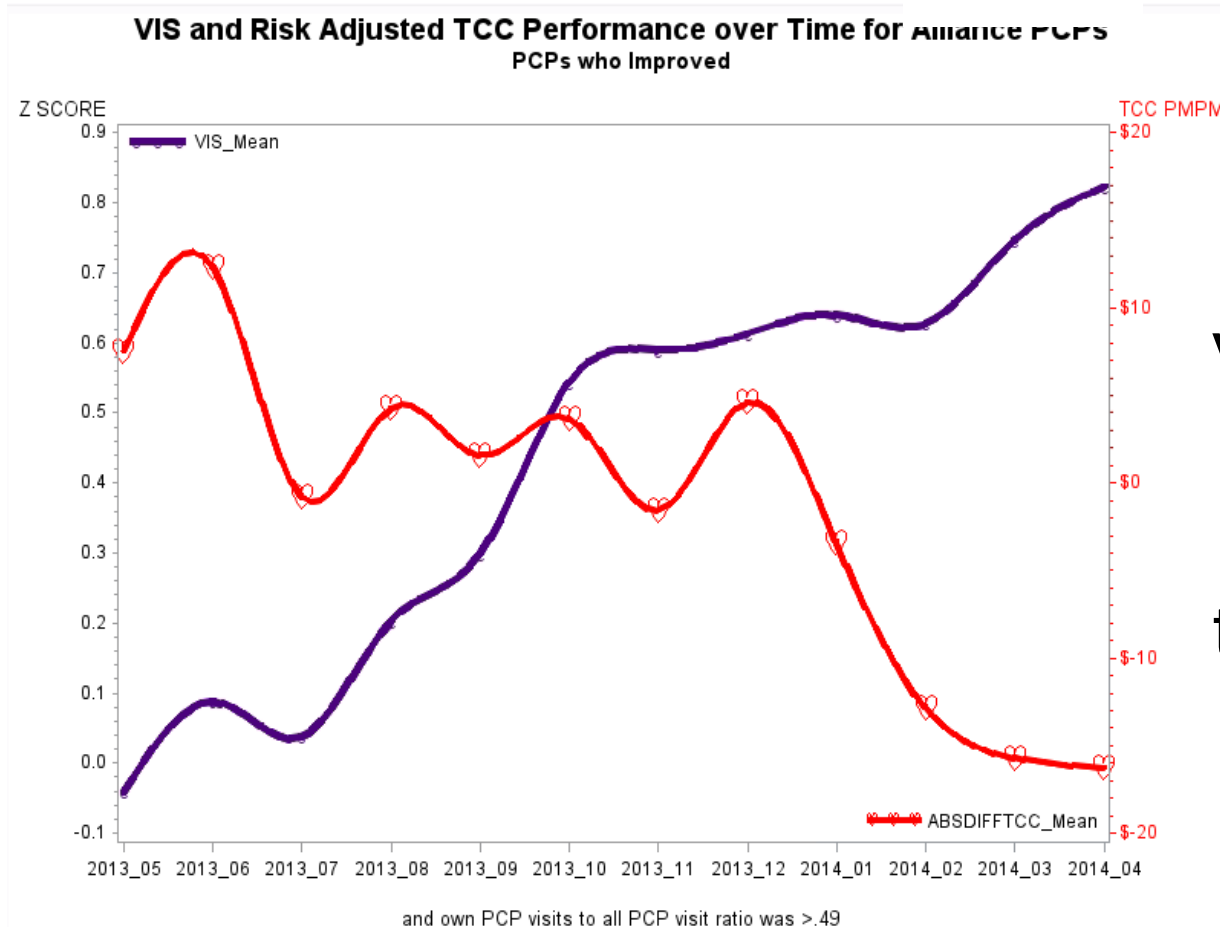


## Achieve Scale and Track Improvements

- By developing value-based purchasing arrangements like other payers, providers and community partners can focus on changes that impact not only the whole person, but all people they serve
- Using VIS to track quality links better quality to lower expenses, as shown on next page



## Iowa Medicaid VIS Results



PCPs that improved their VIS score over a 12 month period also lowered their total cost of care during that same period